



Entered on Docket  
June 19, 2006

A handwritten signature in black ink, appearing to read "R. Linda B. Riegle".

Hon. Linda B. Riegle  
United States Bankruptcy Judge

Annette W. Jarvis, Utah Bar No. 1649  
RAY QUINNEY & NEBEKER P.C.  
36 South State Street, Suite 1400  
P.O. Box 45385  
Salt Lake City, Utah 84145-0385  
Telephone: (801) 532-1500  
Facsimile: (801) 532-7543  
Email: [ajarvis@rqn.com](mailto:ajarvis@rqn.com)

and

Lenard E. Schwartzer  
Nevada Bar No. 0399  
Jeanette E. McPherson  
Nevada Bar No. 5423  
Schwartzer & McPherson Law Firm  
2850 South Jones Boulevard, Suite 1  
Las Vegas, Nevada 89146-5308  
Telephone: (702) 228-7590  
Facsimile: (702) 892-0122  
E-Mail: [bkfilings@s-mlaw.com](mailto:bkfilings@s-mlaw.com)  
Attorneys for Debtors and Debtors-in-Possession

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re:  
USA COMMERCIAL MORTGAGE COMPANY,

Debtor.

Case No. BK-S-06-10725 LBR  
Case No. BK-S-06-10726 LBR  
Case No. BK-S-06-10727 LBR  
Case No. BK-S-06-10728 LBR  
Case No. BK-S-06-10729 LBR

In re:  
USA CAPITAL REALTY ADVISORS, LLC,

Debtor.

Chapter 11

In re:  
USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,

Debtor.

**Jointly Administered Under  
Case No. BK-S-06-10725 LBR**

In re:  
USA CAPITAL FIRST TRUST DEED FUND, LLC,

Debtor.

**ORDER DENYING MOTION FOR ORDER  
AUTHORIZING REIMBURSEMENT OF  
DUE DILIGENCE EXPENSES OF  
POTENTIAL POST-PETITION LENDER  
[AFFECTS ALL DEBTORS]**

1 Affects:

- |   |                                                                       |
|---|-----------------------------------------------------------------------|
| 2 | <input checked="" type="checkbox"/> All Debtors                       |
| 3 | <input type="checkbox"/> USA Commercial Mortgage Company              |
| 4 | <input type="checkbox"/> USA Securities, LLC                          |
| 5 | <input type="checkbox"/> USA Capital Realty Advisors, LLC             |
| 6 | <input type="checkbox"/> USA Capital Diversified Trust Deed Fund, LLC |
| 7 | <input type="checkbox"/> USA First Trust Deed Fund, LLC               |

Date: May 18, 2006

Time: 9:30 a.m.

The Motion For Order Authorizing Reimbursement Of Due Diligence Expenses Of Potential Post-Petition Lender (the "Motion") having come before this Court on May 18, 2006; the Debtors, USA Commercial Mortgage Company ("USACM"), USA Securities, LLC ("USA Securities"), USA Capital Realty Advisors, LLC ("USA Realty"), USA Capital Diversified Trust Deed Fund ("USA Diversified"), and USA Capital First Trust Deed Fund ("USA First") (collectively referred to as "Debtors") appearing by and through their counsel, Ray Quinney & Nebeker P.C. and Schwartzer & McPherson Law Firm, other appearances having been made upon the record; the Court having reviewed the pleadings and having heard the argument of the parties, and finding that proper notice having been given, it is hereby

ORDERED that the Motion For Order Authorizing Reimbursement Of Due Diligence Expenses Of Potential Post-Petition Lender is denied.

Submitted by:

Annette W. Jarvis, Utah Bar No. 1649  
 RAY QUINNEY & NEBEKER P.C.  
 36 South State Street, Suite 1400  
 P.O. Box 45385  
 Salt Lake City, Utah 84145-0385

and

/s/ Jeanette E. McPherson

---

Lenard E. Schwartzer, Nevada Bar No. 0399  
 Jeanette E. McPherson, Nevada Bar No. 5423  
 SCHWARTZER & MCPHERSON LAW FIRM  
 2850 South Jones Boulevard, Suite 1  
 Las Vegas, Nevada 89146  
 Attorneys for Debtor and Debtor-In-Possession

///

1           **ORDER DENYING MOTION FOR ORDER AUTHORIZING REIMBURSEMENT OF DUE DILIGENCE**  
2           **EXPENSES OF POTENTIAL POST-PETITION LENDER [AFFECTS ALL DEBTORS]**

3           Approved/Disapproved by:

4  
5           /s/ EVE H. KARASIK  
6           Frank A. Merola (CA State Bar No. 136934)  
7           Eve H. Karasik (CA State Bar No. 155356)  
8           Christine M. Pajak (CA State Bar No. 217173)  
9           STUTMAN, TREISTER & GLATT, P.C.  
10          1901 Avenue of the Stars, 12<sup>th</sup> Floor  
11          Los Angeles, CA 90067

12          Counsel for the Official Committee of Equity  
13          Security Holders of USA Capital First Trust  
14          Deed Fund, LLC

15          Approved/Disapproved by:

16          /s/ AUGUST LANDIS  
17          Office of the U.S. Trustee  
18          300 Las Vegas Boulevard South, Suite 4300  
19          Las Vegas, NV 89101

20          Approved/Disapproved by:

21          /s/ LAUREL E. DAVIS  
22          Laurel E. Davis, Esq.  
23          LIONEL, SAWYER & COLLINS  
24          1700 Bank of America Plaza  
25          300 South Fourth Street  
26          Las Vegas, NV 89101

27          Attorneys for the Canepa Group

28          ###